VICE CHAIRMAN, SENATE REPUBLICAN CONFERENCE

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November 7, 2018

COMMITTEES: APPROPRIATIONS

COMMERCE, SCIENCE AND TRANSPORTATION

RULES AND ADMINISTRATION, CHAIRMAN

SELECT COMMITTEE ON INTELLIGENCE

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The Honorable Ajit Pai Chairman, Federal Communications Commission 445 12<sup>th</sup> Street, SW Washington, D.C. 20554

Dear Chairman Pai,

Constituents have contacted me and shared that the Federal Communications Commission (FCC) is currently reviewing the Universal Service Fund High-Cost budget to offer greater certainty and predictability to rate-of-return carriers. I ask that the FCC review and consider a recent petition from a rate-of-return carrier related to abandoned, unserved locations in Missouri.

According to Grand River Mutual Telephone Corporation (GRM), they submitted a Petition for Reconsideration of the FCC's March 23, 2018 Report and Order on May 2, 2018. The petition details an administrative error in a previous year's Form 477 that resulted in a preclusion of Alternative Connect America Model (A-CAM) funding from 747 individual locations in Missouri. Prior to the A-CAM offer to rate-of-return carriers in August 2016, it is my understanding that GRM was eligible for funding in these areas. Subsequently, GRM filed a September 2016 petition for a waiver that would have revised the previously misrepresented Form 477 data. GRM has informed me that this petition was denied by the FCC.

This Congress, the Senate Committee on Commerce, Science, and Transportation, of which I am a member, analyzed issues related to the Form 477 reporting process to encourage the most accurate broadband map possible. Funding decisions based off of Form 477 data have a direct effect on unserved populations in Missouri and across the country. I am surprised to hear that a previous attempt to revise this map was denied, however, I am not surprised to hear that a mapping error may have resulted in abandoned locations for high-cost support.

I request that the FCC review the previous submissions by GRM, as well as the Petition for Reconsideration dated May 2, and consider adopting and funding these 747 orphaned locations in Missouri. For rural residents in these areas, receiving high-cost support may significantly improve quality of life.

Thank you for your attention and consideration of this matter.

Sincere regards,

United States Senator



## FEDERAL COMMUNICATIONS COMMISSION WASHINGTON

December 31, 2018

The Honorable Roy Blunt United States Senate 260 Russell Senate Office Building Washington, D.C. 20510

Dear Senator Blunt:

Thank you for your letter regarding the petition for reconsideration filed by Grand River Mutual Telephone Corporation (Grand River) seeking review of the Commission's 2018 Rate-of-Return Report and Order and NPRM. On December 12, 2018, the Commission adopted an Order on Reconsideration denying Grand River's petition, finding that the petition effectively came two years too late.

The petition requested an increase in Alternative Connect America Model (A-CAM) support for 747 locations, effectively asking the Commission to revise Grand River's A-CAM eligible census blocks that the Commission had established two years ago in the 2016 Rate-of-Return Reform Order. Since that 2016 order, the Commission has not sought comment on or otherwise indicated in any way that it would allow changes, modifications, or adjustments to funded locations for authorized A-CAM carriers. In addition, the Commission reiterated that under the terms of the A-CAM offer, carriers like Grand River could not resubmit previously filed data to reduce their own reported fiber or cable coverage. Although the Commission could not grant relief in this case, I can assure you that its consideration involved a fair and comprehensive examination of the issues and concerns presented by all stakeholders.

I appreciate your interest in this matter. Please let me know if I can be of any further assistance.

Sincerely,

Ajit V. Pai

Hope to see you in Missouri in 2019!